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SUPREME COURT OF THE UNITED STATES

OCTOBER TERM, 1942

No. 126

MUSHER FOUNDATION, INC.,

Petitioner,

vs.

ALBA TRADING CO., INC.

ON PETITION FOR WRIT OF CERTIORARI TO THE UNITED STATES CIRCUIT COURT OF APPEALS FOR THE SECOND CIRCUIT.

REPLY BRIEF FOR PETITIONER.

HARRY PRICE,
Counsel for Petitioner.

SUPREME COURT OF THE UNITED STATES

OCTOBER TERM, 1942

No. 126

MUSHER FOUNDATION, INC.,
Petitioner-Plaintiff,

vs.

ALBA TRADING CO., INC.,
Respondent-Defendant.

REPLY BRIEF FOR PETITIONER-PLAINTIFF IN SUPPORT OF PETITION FOR CERTIORARI.

The brief for Respondent in opposition to Petition for Certiorari does not attempt squarely to face the issue of whether a federal court has jurisdiction over unfair competition when it accompanies patent infringement and when there is no diversity of citizenship.

The confusion in Respondent's brief is substantially similar to the confusion in decisions by the Circuit Court of Appeals of the Second Circuit in applying the doctrine of *Hurn* v. *Oursler,* 289 U. S. 238, which was aptly described

by Circuit Judge C. E. Clark in the following words at 127 F. (2d) 12:

> "The recent decisions in this Circuit on this problem, while disclosing small variations of fact, seem to me irreconcilable on any readily apparent grounds of logic or practical expediency. I can only express the hope that the bar and the district judges are not as mystified as to the law of this Circuit as I am. One need not go back to such conflicting views as appear in L. E. Waterman Co. *v.* Gordon, 2 Cir., 72 F. 2d 272, 274, and Foster D. Snell, Inc., *v.* Potters, 2 Cir., 88 F. 2d 611, or even attempt comparison between them and the Lewis case. One need take only our decisions of the last two weeks."

The confusion that has resulted from these obviously conflicting decisions of the Circuit Court of Appeals is apparent when consideration be given to decisions in the District Court as exemplified by recent decision of Judge Conger in the United States District Court for the Southern District of New York, in *Carlson* v. *Betmar Hats, Inc., et al.*, Civil Action 5-73, during July, 1942, in which this District Judge reached a diametrically opposite conclusion to the Circuit Court of Appeals in the present case.

In this connection Judge Conger stated:

> "The first cause of action is for patent infringement which is a federal question, the second is really based on a contract and is a non-federal question. There is not diversity of citizenship here. The plaintiff contends that even though he may fail on the patent infringement issue the Court still has jurisdiction to determine the question of unfair competition arising out of the breach of a confidential disclosure. I think not. The rule is well settled that where the two issues i.e. patent infringement and unfair competition are based upon substantially the same facts, if the first fails the court may proceed to adjudicate the second.

Hurn *v.* Oursler, 289 U. S. 315; Musher Foundation, Inc. *v.* Alba Trading Co., Inc., C. C. A. 2nd, decided March 23, 1942; Treasure Imports, Inc. *v.* Henry Amdur & Sons, Inc. et al., C. C. A. 2nd, decided March 9, 1942; Lewis *v.* Vendome Bags, Inc., 108 F. (2d) 16."

It clearly appears that the petition should be granted.

Respectfully submitted,

HARRY PRICE,
Attorney for Petitioner-Plaintiff.

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